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2012-138.C

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March 29, 2012

Jocelyn Boyd, Esquire Chief Clerk and Administrator South Carolina Public Service Commission 101 Executive Center Drive Columbia, SC 29210

RE:

Certification of the Use of Universal Service Funds Pursuant to 47 C.F.R. §§54.313, 54-314; and Telecommunications Act §524(e) CC Docket No. 96-45

Dear Ms. Boyd:

Enclosed please find for filing a Motion for Protective Treatment of certain information in the above which is being filed under seal.

If you have any questions or if I may provide you with any additional information, please do not hesitate to contact me.

Sincerely,

Elliott & Elliott, P.A.

Scott Elliott

SE/jcl

Enclosure

cc: Jeanne W. Stockman, Esquire

BEFORE THE

PUBLIC SERVICE COMMISSION

OF SOUTH CAROLINA

Certification of the Use of Universal)
Service Funds Pursuant to 47 C.F.R.)
§§54.313, 54.314; and Telecommunications)
Act §524(e) CC Docket No. 96-45)

MOTION FOR PROTECTIVE TREATMENT

United Telephone Company of the Carolinas LLC d/b/a CenturyLink ("CenturyLink") by its attorneys and pursuant to S.C. Code Ann. § 39-8-10, et seq., and all other applicable rules, statutes and regulations, hereby files this Motion for Protective Treatment ("Motion") for the accompanying materials. By this Motion, the CenturyLink seeks protective treatment by the South Carolina Public Service Commission ("Commission") of certain commercially-sensitive materials attached to this submission as Trade Secret.

In support of this Motion, the CenturyLink provides the following:

1. The exact legal name, address and telephone number of CenturyLink is:

United Telephone Company of the Carolinas LLC d/b/a CenturyLink 1122 Lady Street, Suite 1050 Columbia, SC 29201 (803) 252-4505

2. Correspondence or communications regarding this Motion should be addressed to:

Scott Elliott Elliott & Elliott, P.A. 1508 Lady Street Columbia, SC 29201 (803) 771-0555 selliott@elliottlaw.us

Jeanne W. Stockman CenturyLink 14111 Capital Boulevard Wake Forest, NC 27587 (919) 554-7621 Jeanne.w.stockman@centurylink.com

Zel Gilbert CenturyLink 1122 Lady Street, Suite 1050 Columbia, SC 29201 (803) 252-4505 Zel.Gilbert@centurylink.com

I. Description of Confidential Information

- 3. CenturyLink has been designated as an eligible telecommunications carrier ("ETC") by the Commission and, pursuant to Commission Regulation 103-690.1, submits an annual certification to the Commission every year. The purpose of the annual certification is to verify that CenturyLink is in compliance with Section 254(e) of the Telecommunications Act and to request that the Commission submit a letter to the FCC and the Universal Service Administration Company ("USAC") by October 1st that CenturyLink is eligible to receive federal universal service support in accordance with Section 254(e) and 47 C.F.R. § 54.314.
- 4. On November 18, 2011, the Federal Communications Commission ("FCC") released the *USF/ICC Transformation Order*.¹ Among other matters, the FCC modified the reporting processes and the substantive requirements associated with federal universal service support received by ETCs. On February 3, 2012, the FCC released an Order on reconsideration clarifying certain aspects of the *USF/ICC Transformation Order* ("FCC Reconsideration Order").² With respect to ETC certification matters, these FCC Orders still require the state

¹Report and Order and Further Notice of Proposed Rulemaking, In the Matter of Connect America Fund; A National Broadband Plan for Our Future; Establishing Just and Reasonable Rates for Local Exchange Carriers; High Cost Universal Service Support; Developing an Unified Intercarrier Compensation Regime; Federal-State Joint Board on Universal Service; Lifeline and Link-Up; Universal Service Reform – Mobility Fund, 2011 FCC LEXIS 4859 (Rel., November 18, 2011)(the "USF/ICC Transformation Order" or "Order"). A copy of the USF/ICC Transformation Order is available at the following hyperlink:

http://www.fcc.gov/document/fcc-releases-connect-america-fund-order-reforms-usficc-broadband

² The FCC Reconsideration Order is available through the following hyperlink: http://www.fcc.gov/document/order-clarifying-aspects-usficc-transformation-order-released

commissions to undertake applicable notifications to USAC and the FCC regarding state ETCs so that the ETCs continue to receive federal universal service funding.

- 5. The Orders require CenturyLink to submit additional information to the FCC as part of the ETC certification process, beyond what was submitted in past years. While the FCC orders cited above do not appear to mandate copying this Commission with ongoing FCC ETC filings, CenturyLink determined in an abundance of caution to submit a copy of its South Carolina filing to this Commission to facilitate this Commission's ability to certify to the FCC and USAC that CenturyLink is eligible to receive federal universal service support.
- 6. The attached certification includes network outage reporting information that was not previously required to be submitted as part of the ETC certification process. CenturyLink requests that this network outage information be treated confidentially by the Commission.

II. Grounds for Claim of Confidentiality

7. The network outage reporting information provided as part of CenturyLink's ETC certification forms should be exempted from public disclosure due to the highly sensitive, security-related nature of these data and its potential value to individuals seeking to impede or disable communications networks. This highly confidential outage reporting information is not publicly available, and is the subject of efforts by CenturyLink to maintain its secrecy. This Confidential Information is exempt from public disclosure under Exemption 4 of the Freedom of Information Act, 5 U.S.C. § 552(b)(4). See In the Matter of new Part 4 of the Commission's Rules Concerning Disruptions to Communications, ET Docket No. 04-35, Report and Order and Further Notice of Proposed Rulemaking, FCC 04-188, ¶ 3 (released August 19, 2004). See also 47 C.F.R. § 4.2. Since the FCC has determined that outage reports filed under Part 4 of its rules are to be filed on a confidential basis and not available for public disclosure, it is reasonable for this Commission to treat such information reported in CenturyLink's ETC certification similarly.

8. In addition, CenturyLink would be substantially harmed if confidential network outage information were made available without restriction or was released as public information. The release of this information would allow competitors to derive economic value by gaining knowledge of CenturyLink's operations and operating results and thereby placing CenturyLink at a competitive disadvantage. As such, the CenturyLink's outage information are a "trade secret" as that term is used in South Carolina Trade Secrets Act. S.C. Code Section 39-8-20(5). Competitors could use the confidential information to gain a competitive advantage over CenturyLink in the marketplace in general or in certain areas within CenturyLink's markets. Meanwhile, CenturyLink is not privy to the same details about its competitors' businesses and would therefore be harmed by release of this data. Moreover, limiting disclosure of confidential information will not prejudice the rights of any entity, nor will such limitation frustrate the intended purpose of this filing or the prompt and fair resolution of any proceeding that may arise out of this filing.

CONCLUSION

9. The network outage information included in attached ETC certification materials, for which Confidential Treatment is sought, is both proprietary and competitively-sensitive. The substantial and direct harm that could be caused to CenturyLink as a result of any disclosure is real and not speculative. Moreover, to date, no other jurisdiction or governmental agency has required CenturyLink to make this information available to the public. For all these reasons, this network outage information should be protected from public disclosure by the Commission.

WHEREFORE, CenturyLink respectfully requests that the South Carolina Public Service Commission grant this Motion for Protective Treatment with respect to the network outage information included as part of the enclosed ETC certification.

Dated this 29th day of March, 2012

Respectfully submitted,

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